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February 25, 2011

Ms. Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street, S.W. Washington, DC 20554

Re: Notice of Ex Parte Communication

WC Docket No. 07-245 ("Pole Attachment Proceeding"); and GN Docket No. 09-51 ("National Broadband Plan Proceeding")

Dear Ms. Dortch:

Please accept this letter, filed pursuant to Section 1.1206 of the Commission's Rules, as notice that on February 24, 2011, representatives of 27 electric utilities and their trade associations met with Federal Communications Commission Staff to discuss issues of concern to utility pole owners in the Pole Attachment proceeding.

FCC Staff included Zac Katz, Legal Advisor to Chairman Genachowski, Margaret McCarthy, Policy Advisor to Commissioner Copps, Angela Kronenberg, Legal Advisor to Commissioner Clyburn, Brad Gillen, Legal Advisor to Commissioner Baker, and the following representatives of the Wireline Competition Bureau: Bill Dever, Al Lewis, Jenny Prime, Jonathan Reel and Mary Sacks.

Thirty-three people represented the electric utility industry and their names are included on the attached sign-in sheet. They include representatives of the Edison Electric Institute ("EEI"), the Utilities Telecom Council ("UTC"), and the following electric utilities:

Allegheny Power
American Electric Power
American Transmission Company
Baltimore Gas and Electric
Dominion Virginia Power
DTE Energy (Detroit Edison)
Duke Energy
Duquesne Light Company

Edison International (SoCal Edison)
FirstEnergy Corp.
Florida Power and Light
Georgia Power
National Grid
Pacific Gas and Electric
Pepco Holdings
Xcel Energy

Washington, D.C.

Brussels

San Francisco

Shanghai

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Ms. Marlene H. Dortch, Secretary February 25, 2011 Page 2

Also in attendance were attorneys representing EEI/UTC, the Alliance for Fair Pole Attachment Rules (American Electric Power, Duke Energy, Entergy, Florida Power and Light, Progress Energy and Southern Company), the Coalition of Concerned Utilities (Allegheny Power, Baltimore Gas and Electric, Dayton Power and Light, FirstEnergy Corp., NSTAR, PPL Electric Utilities, South Dakota Electric Utilities, and Wisconsin Public Service Co.), Oncor Electric Delivery, Pole Owners Working for Equitable Regulation (Ameren Services Company, CenterPoint Energy, Houston Electric, and Virginia Electric and Power Company), and Integrys Energy.

This meeting follows up on a November 16, 2010 meeting at which 49 representatives of the electric utility industry met with representatives of the Wireline Competition and Enforcement Bureaus.

At our February 24 meeting, representatives of six different electric utilities discussed the attached PowerPoint presentation, which highlights the realities of the pole attachment process. They explained that electric utilities have done a great deal already to promote broadband development and will continue to do so but that the process is complex and dangerous and cannot simply follow a cookie-cutter approach. Everyone involved, including communications companies and the public, need to be assured that careful due diligence has been applied to all the safety and operational factors involved in the process. And because it is so complicated, it is not a process that lends itself to narrow government mandates. It is also not a process that can be handed off to contractors under the control of communications companies.

We described the process that utilities go through in accommodating attaching entities, which has helped to enable communications companies to provide broadband service to 95% of the country to date. We therefore explained how the current system has worked well without extensive government oversight.

We explained that each make-ready job is different, as is each utility performing the make-ready. We also described some of the numerous factors that are entirely outside of anyone's control that can delay a project.

We explained our view that moving this activity from qualified field work to an FCC regulation environment will make the process more burdensome for everyone – the pole owners, the communications attachers and the FCC, while doing very little to promote broadband deployment.

We described the cooperation that must exist in order for the process to work and the cooperative relationship that currently exists among the vast majority of pole owners and attaching entities.

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Ms. Marlene H. Dortch, Secretary February 25, 2011 Page 3

Finally, we discussed the significant differences between joint use agreements between ILEC and electric pole owners, and third party pole attachment agreements between the pole owners and the cable company and CLEC attachers, and why lowering the rate charged for attachments by ILEC pole owners would give ILECs a competitive advantage over the third party cable and CLEC attachers.

We appreciate the Staff's attention to these matters. Please feel free to contact the undersigned if you have any questions or require any additional information.

Sincerely,

Thomas B. Magee Jack Richards Attorneys for the

Coalition of Concerned Utilities

#### Attachments

cc: The Honorable Julius Genachowski, Chairman

The Honorable Michael J. Copps, Commissioner

The Honorable Mignon Clyburn, Commissioner

The Honorable Robert M. McDowell, Commissioner

The Honorable Meredith Attwell Baker, Commissioner

Zac Katz

Margaret McCarthy

Angela Kronenberg

Christine Kurth

Bradley Gillen

Sharon Gillett

Christi Shewman

William Dever

Al Lewis

Jennifer Prime

Jonathan Reel

Mary Sacks

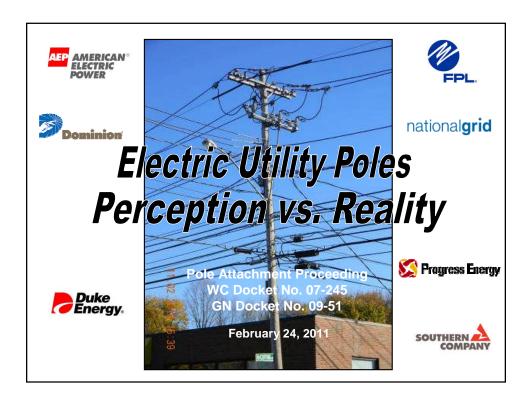
# **Electric Utility Pole Attachment Meeting for FCC Staff**

# Sign-In Sheet

Name	Title	Company
TOH Magee	Partner	Keller and Heckman LLP For to Coalition of Concerned Utilities
Aryel fishman	Director, Regulatory Legal Affairs	Edren Electric  Institute
Tom St. Pierre	Senior Counsel	American Electric Power
STEVE ESENTAVIH	MANAGER COSTOMER SOLUTIONS	Domwood
JOE SNYDER	MANAGEL - TOFLONMUNICATION ATT	ACH NATIONAL GRID
Darryll Wilson	Juint Use Coordingur	Georgiu Power
THOMAS T. Kennedy P.E.	PRINCIPAL Regulatory Atlairs Analyst	FLORIDAPONER & LIGHT CO.
Andy Exsell	So Project Map	Edec Energy
Russ Campbell	Partner	Batch & BINGHAM UP
Bill Dever	Div. Chiet	WCB CPD
GREG WOLFE	MANJACARE DIST, LINEMAN	ALLEGHENY DWER
Dave Hawk	Spc. Outside Plant	Alleshery Tower
GREGORY T. OBENCHAIN	MAHAGER, DISTRIBUTION OPERATIONS & STANDARDS	EASON ELECTRIC LYSTITUTE
COLIN DANVILLE	SUMBANISON - JOINT USE PHI	Pepco Holdings
Ted Boinstein	Partiver	Foley + Lardner LLP  in behalf of Integrys  Integrys
		Integrys Energy

Name	Title	Company
Matt Millar	Managur Affairs	Edison International
KEN GILBERT	LEADER JOINT USE-DSBN	FLORION POWER LIGHT CO.
Bob Linden	Comm Engr/Pst Mgr.	Duquesne Light
Karen Britto	DIE Manager J Fed. a	Hairs DIE Energy
Jack Richards	Pultne	Keller and Hookum Le
Midwel &. Wolfe	Attorney	FirstEnergy
AMY GUTBERLET	SUPERUISOR	/
Kevin Cookler	Of Counsel	Fish + Richardson P.C.
Shiring Friends	Princopel	From + Richardson
Brett Kilbourne	Depoty G.C	Utilities telecom Council
RICK Meeker	INFO. Mgent ANALYST	BGE
Meghan Gruebner	A ssociate	Hunton & Williams
Hearh Knatmahs	Dir- of Federal Affairs	Anerican Transmission Compan
Darren Deffrer	MARNER of Food Affairs	PG+E
Jonathan Real	Attorney - Advisors	FCE/WCB/CPD
Mary Sacks	Attorney - Advoir	FCC / WCB-Pricing Policy Dir.
Al Lewis	Chief, Pricing Policy Div. (WCB)	
Senny Prime	Legal Coursel, Wireline Completion B.	FCC

Name	Title	Company
RAMMOND A. KOWACSKI	COUNSEL TO POWER	ECKERT, SEAMANS
Plett Freedson	Centerform French =	Beacewer & Girliani
Charlie Zde biki	Counsel to POWER Coulting	Eckert Seamons LO
Steve Plerniak	Mgr. Federal Affairs Center Po. ot Energy/	Xed Energy
Melissa Tye	Center Point Energy/ Power Coalition	Bracewell - Gialiani.
Zac Katz	Legal Advisor	Office of Chairman Genachowski
Margaret McCarthy	Policy Advisor	Office of Commissioner Copps
Angela Kronenberg	Legal Advisor	Office of Commissioner Clyburn
Brad Gillen	Legal Advisor	Office of Commissioner Baker
		• 7



# **Introduction**

#### Aryeh Fishman

- Edison Electric Institute
   701 Pennsylvania Ave, N.W.
   Washington, DC 20004
- Email: afishman@eei.org
- Phone: (202) 508-5023

#### **Moderator**

#### Tom Magee

- Keller and Heckman LLP 1001 G Street, N.W.
   Washington, DC 20001
- Email: magee@khlaw.com
- Phone: (202) 434-4128

For the Coalition of Concerned Utilities



KH

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#### **Agenda**

- A. Make-Ready Deadlines Won't Work
  - 1. Safety and Reliability Concerns
  - 2. Every Make-Ready Job is Different
  - 3. Multi-Party Coordination Pole Owner Does Not Control Attachers
  - 4. Other Factors Beyond Pole Owner Control
- B. Contractors Won't Solve the Problem
  - 5. Electric v. Communications Work
  - 6. Why Utilities Must Control Electric Make-Ready
- C. <u>ILEC Advantages Over 3<sup>rd</sup> Party Attachers</u>
  - 7. Can't Give ILECs Same Rate



# **Safety and Reliability**

"Electric System Safety and Reliability Must Trump Make-Ready Deadlines"

> Scott Freeburn Progress Energy



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#### Pole Attachments

#### **Perception**



#### Reality





#### Pole Attachments - Conflicting Objectives

#### Telecom

- Speed to market
- Priority service
- One size fits all rules

#### **Electric Utility**

- Worker & Public Safety
- System Reliability
- Minimizing Operational Impact



# Pole Attachments - Safety

OCALA FL, Ocala.com February 11, 2009 -- An electrical contractor died Tuesday night after he was electrocuted while working on power lines.

SHARON MA, The Boston Globe April 17, 2006 - A repairman for a communications company was electrocuted yesterday morning while making repairs on a telephone pole.

PROVIDENCE RI, Powerlineman.com July 19, 2006 -- A communication company worker suffered an electric shock and was severely burned yesterday.

MARPLE TOWNSHIP, PA, The Philadelphia Inquirer June 30, 2010 -- A communication company technician accidentally electrocuted Tuesday afternoon.

#### California Wildfires October 2007

 CPUC blames non-compliant electric facilities and cable attachments for deadly wildfires

 Cox overlashing made contact with electric primary

- ■1,300 homes destroyed
- 200,000 acres burned
- ■2 dead
- ■300 victims file lawsuits

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# Pole Attachments - Reliability





### Pole Attachments - Reliability

February 7, 2010 Associated content.com Blizzard Report: Metro Washington DC Suffers Massive Outages, No Heat, No Public Transport

<u>July 26, 2010, CNN.com</u> Power outages plague DC region after storm that killed 2 people

<u>August 12, 2010 The Washington Times</u> Storms swept through the Washington region knocking out power to thousands of customers

11



#### **Key Takeaways**

- Safety and Reliability Concerns Drive Electric Utility Operations
- Electric Distribution Safety and Reliability Must Come Before Deadlines

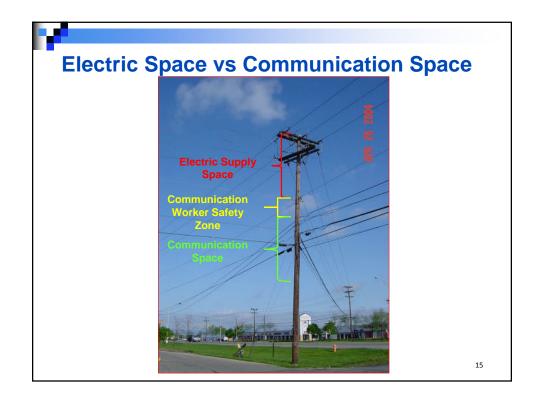


#### "Deadlines For Make-Ready Are Unworkable Because Every Make-Ready Job is Different"

Andy Russell, P.E. Duke Energy

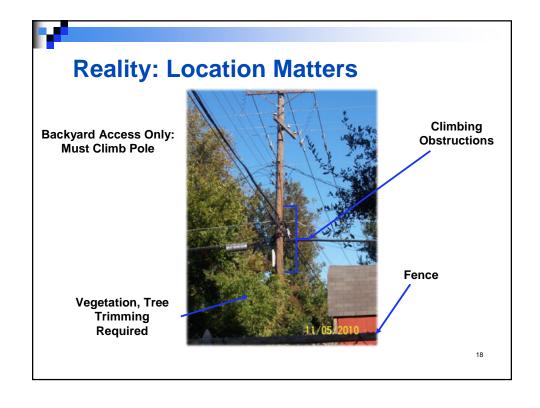














# Make-Ready Projects Typically Involve Multiple Poles With:

- One or More Facility Owners
- Complex Construction
- Rearrangement of Electric Facilities
- Rearrangement of Comm Facilities
- Pole Change Outs





### **Key Takeaways**

- Electric Distribution Poles Are All Different
- The Complexity of Make-Ready Work Varies
- The Time Necessary to Complete Make-Ready Depends on the Job
- One-Size-Fits-All Timelines for Make-Ready are Unworkable

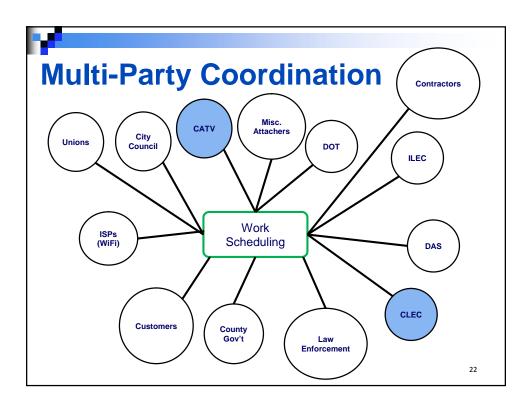


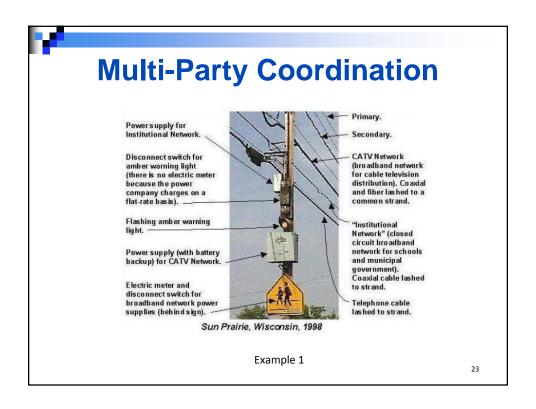
### **Multi-Party Coordination**

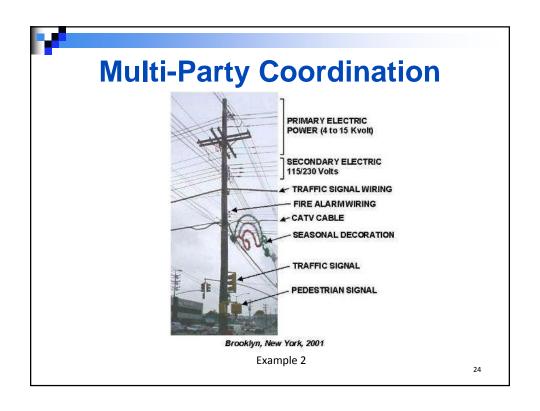
"Multi-Party Coordination Renders Make-Ready Deadlines Impossible, Particularly Since Pole Owners Do Not Control Other Attachers"

Thomas J. Kennedy, P.E. Florida Power and Light Co.



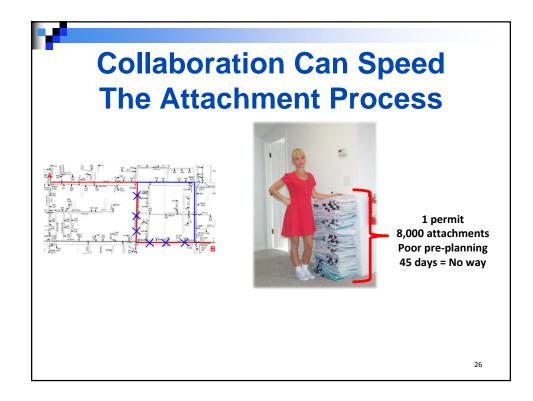








- Each Existing and New Attacher Must Be Involved in the Design Phase
- Existing Attachers Alone Can
   Determine How to Safely and Reliably
   Transfer Their Facilities
- Existing Attachers Alone Can Estimate the Time Frame Needed to Relocate
- The Pole Owner Does Not Control Existing Attachers





# **Key Takeaways**

- Existing attachers cause delays
- Pole owners have no control over existing attachers
- Attachers must pre-plan and preengineer
- Collaboration and coordination with pole owner = faster speed-to-market

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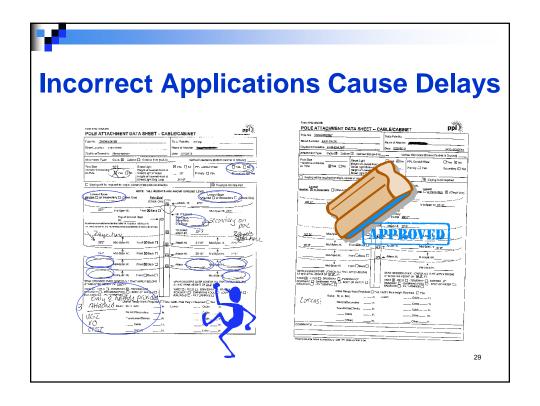


#### **Other Causes of Delay**

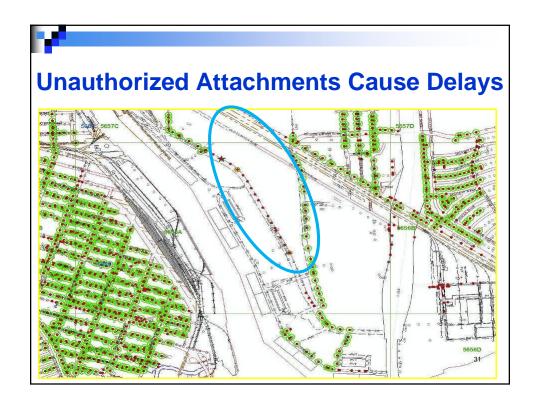
"Numerous Other Factors Beyond the Control of Pole Owners Cause Make-Ready Delays That Make Deadlines Impossible to Meet"

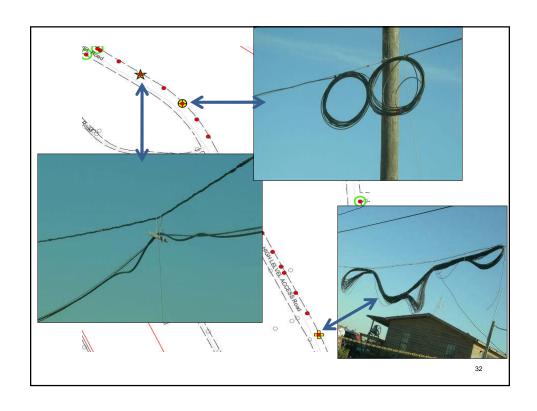
> Darryll Wilson Georgia Power



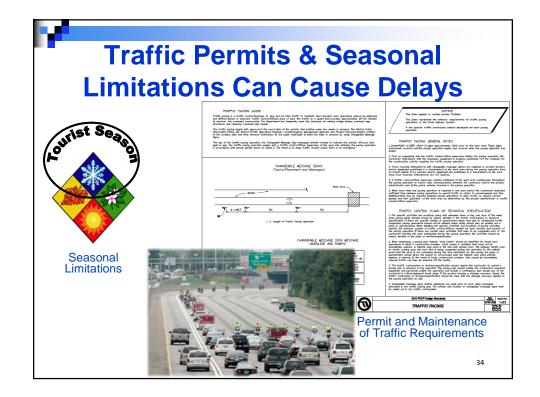














# **Other Causes of Delays**

- Weather
- Mutual Assistance Agreements
- Electric Service Outages

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# **Other Causes of Delays**

- State PUC safety and reliability requirements
- Obtaining private property easements
- Union work stoppages
- Design workload
- Materials
- Switching
- Environmental concerns
- Road construction



# Wireless Attachments Are Far More Complex

- Much More Equipment
- Different Shapes, Sizes, Power Levels, RF Levels
- Numerous Operational, Reliability and Safety Considerations
- Pole Top Antennas Typically Require Expansion of Capacity
- Require Case-By-Case Analysis

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# **Key Takeaways**

- Numerous Factors Beyond Pole Owner Control Can Delay Make-Ready
- Strict Make-Ready Timelines
   Impossible Because Of These Factors

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# **Electric v. Communications Work**

- Electric Work Is Far More Complicated
   Than Communications Work
- Communications Contractors Are Not Qualified to Perform It

Joseph Snyder, P.E. National Grid

nationalgrid

# **Utility Pole Work**



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#### Electric Workers - Insulate & Isolate

#### <u>Insulated</u> from energized conductors with:

- □ Rubber Gloves
- □ Rubber Sleeves

#### <u>Isolated</u> from energized conductors with:

- ☐ Insulated Aerial Devices (dielectrically tested boom inserts)
- □ Insulated Work Platforms
- □ Rubber Hose, Blankets and other Insulated Protective Cover-Up Equipment
- □ Approved Hard Covers
- □ Approved Live Line Tools
- Minimum Working Clearances
- □ Specially Designed Tools







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#### Electric Work ≠ Communication Work

**Electric Work** 



#### **Communication Work**





**Electric Work** 



**Communication Work** 



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#### Electric Work ≠ Communication Work

**Electric Work** 



#### **Communication Work**





#### **Key Takeaways**

- Electric Work Far More Complicated And Difficult Than Communications Work
- Electric Work Takes Longer than Comparable Communications Work
- Communications Contractors Not Qualified to Perform Electric Work

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# Electric Utilities Must Control Electric Make-Ready

"Electric Make-Ready Work is Complicated and Dangerous and Must Remain Within the Sole Control of Electric Utilities"

> Steve Eisenrauch Dominion Virginia Power

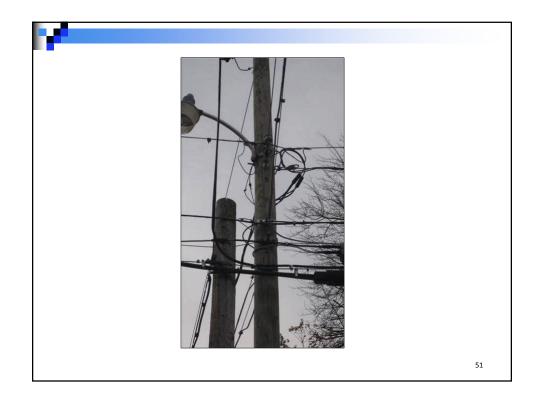


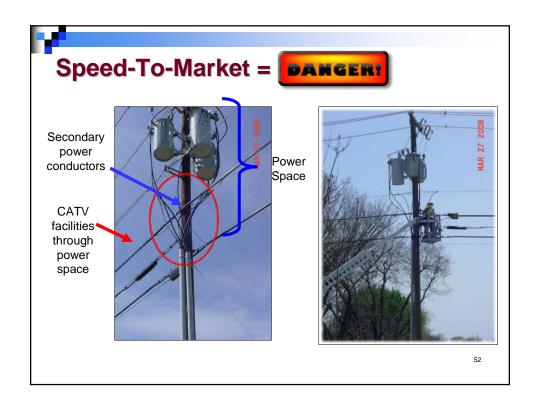
# **Electric Work Far More Dangerous**

- Un-insulated 34,500 Volts v. Insulated Maximum of 240 Volts
- Elaborate Safety Procedures
- Lethal Worker and Public Safety Issues
- Must Understand Mechanics of Electric Distribution System

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#### **Attacher Contractors Are Dangerous**

- State PUC expects full control by utility
- Allegiance to attacher, not electric utility
- May result in injuries, pole damage, safety violations, use of defective equipment
- Attachers have no design expertise
- Attachers lack critical info about system
- Utility must control quality and impact
- Union agreements may prohibit

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### **Key Takeaways**

- Unsafe to Cede Control of Electric Facilities to Communications Attachers
- Allowing Attachers to Hire Contractors for Design and Make-Ready Work is Dangerous
- Attacher Contractors Must Be Confined To the Communications Space and To Performing the Attacher's Own Work



# <u>Distinctions Between ILEC/Electric</u> Relationship and Electric/Cable Relationship

- State Jurisdiction Over the Relationship Between Two Public Utilities
- Contract Distinctions

Tom St. Pierre American Electric Power



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# Joint Use Relationship

- Historical Relationship Built Upon Eliminating the Need to Build Multiple Pole Lines
- Each Party Shares the Burdens and Benefits of Pole Ownership Through the Mutual Sharing Of Pole Ownership and Maintenance



#### **Distinctions**

- ILECs Are Pole Owners
- ILECs Do Not Simply Attach
- ILECs Own Millions of Poles
- Some Jointly Owned With Electric
- Electric Utilities, Cable Cos., CLECs
   Depend on ILECs for Access
- Mutual Dependency Governs ILEC/Electric Utility Joint Use

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### **Joint Use Relationship**

- Contracts Designed with the Assumption that Both Parties Have the Capacity as Pole Owners to Engineer and Maintain Pole Plant
- Each Party is Generally Permitted to Engineer and Construct Their Own Attachments and Pole Plant



#### **Full Menu Versus Ala Carte Pricing**

- Both ILECs and Electrics Pay Higher Annual Attachment Expenses But in Return Receive a Full Menu of Benefits. CATVs and CLECs Order From an Ala Carte Subsidized Menu
- Full Menu of Benefits Includes:
  - Initial Construction Designed to Accommodate Both Parties
  - Lower Make Ready Costs
  - Additional Space to Accommodate Multiple Lines and Appurtenances
  - · Preferred Position on Pole
  - Mutual Use of Easement Rights

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#### State Jurisdiction

- States are Acutely Interested in the Compensation Paid Between Two Public Utilities
- State Review Designed to Avoid Cross-Subsidization and Collusion to Increase Rates
- As a General Rule Compensation Paid Between Two Public Utilities Must be Equitable to the Rate Payers of Both Utilities
- Joint Use Expenses and Cost Recovery Are Built into the Rate Base of the Public Utility
- In Cases Where an ILEC is Being Denied Access Rights or Charged an Inequitable Fee, the ILEC May Seek the Protection of the State Public Service Commission



#### **Key Takeaways**

- Joint Use Relationship is Very Different
- Lowering the Attachment Rate for ILECs Would Give ILECs a Competitive Advantage Over Cable and CLECs by Providing ILECs a Full Menu of Benefits at an Ala Carte Subsidized Price
- ILECs Are Already Protected Through State Jurisdiction Remedies

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# **Final Wrap-Up**

- Electric system safety and reliability need to trump make-ready deadlines
- Numerous uncontrollable variables render make-ready deadlines impossible to meet
- Allowing contractors to hire design and make-ready contractors is unsafe
- Lowering the attachment rate for ILECs would increase their competitive advantage over cable companies and CLECs

